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Agriculture, Food
and Fisheries

2002/03
Annual Service Plan Report

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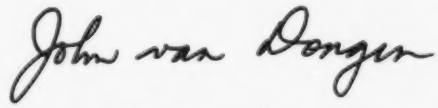
Accountability Statement

The 2002/03 Ministry of Agriculture, Food and Fisheries Annual Service Plan Report was prepared under my direction and in accordance with the *Budget Transparency and Accountability Act*. This report compares the actual results to the expected results identified in the ministry's 2002/03 Service Plan. I am accountable for the ministry's results and the basis on which they have been reported.

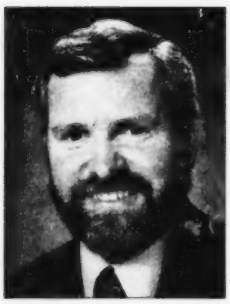


Honourable John van Dongen
Minister of Agriculture, Food and Fisheries

June 26, 2003

BRITISH COLUMBIA

Ministry of Agriculture, Food and Fisheries



I am heartened by the progress we've made — both as a government and as a ministry — as I take this opportunity to review the many accomplishments of the Ministry of Agriculture, Food and Fisheries.

In the agricultural sector, we have worked with industry to encourage the use of a number of control options for managing animal, fish and plant diseases and pests. We helped implement an Environmental Farm Planning Strategy and signed an Agricultural Policy Framework with the federal government that encourages the use of new public and private risk management tools.

We have taken steps to reduce the regulatory burden on the agriculture industry, in line with government's commitment to reduce unnecessary regulations by a third.

We have also taken steps to improve the aquaculture industry, including improved escape prevention standards and new waste management regulations at salmon farming operations. These improvements will allow sustainable growth in the aquaculture industry and create new jobs in coastal communities when new sites are approved.

We have also made overtures to the federal government in an attempt to have greater provincial influence over federal fisheries management policies. That's a long-term project but one that has been deemed necessary to improve the fishery and protect jobs.

There are many challenges ahead for this sector of British Columbia's economy that chalked up sales last year of $5.26 billion, of which $2.4 billion was exported to other countries. I am confident we can meet those challenges and ensure that British Columbia has a brilliant future in the business of providing healthy food on a sustainable basis.

John van Dongen

Honourable John van Dongen
Minister of Agriculture, Food and Fisheries

TABLE OF CONTENTS

Accountability Statement III

Message from the Minister V

Year-at-a-Glance Highlights 3

Ministry Role and Services 7

Performance Reporting 21

2002/03 Resource Summary 49

Summary Reports on Other Planning Processes 54

Appendix 55

Year-at-a-Glance Highlights

Introduction

B.C.'s agri-food and fisheries sectors make a significant contribution to the provincial economy. During the last decade, employment and production in the sectors has remained steady or continued to grow. B.C. producers are adapting to meet new market demand and the challenges of global trade by producing new farm products, new technology and exploring new ways of doing business to sustain growth in this industry.

British Columbia has more than 20,000 farms, 1,100 food processors, 9,400 food service establishments and 2,800 retail stores. B.C.'s agriculture and food industry generated about $20.7 billion in total consumer sales in 2001. The industry collectively employed more than 270,000 people — about one in seven British Columbians — in producing, processing, packaging, transporting, distributing, selling, preparing and serving food and beverages.

The ministry focuses on five core business areas to achieve its vision for a competitive and profitable industry providing safe, high-quality food for consumers and export markets.

Ministry key achievements 2002/03

Core Business Area and Goal	2002 Progress
Food Safety and Quality Enhanced economic growth and consumer confidence through reliable food safety/ quality programs.	**On target** • Control options are in place for managing risks resulting from animal, fish and plant diseases and pests. • Strong use of integrated pest management (IPM) techniques and environmental best management practices (2002 analysis of available data). • Fish health guidelines were developed for use by producers, and an audit and surveillance program was initiated. • Active monitoring of animal diseases such as the West Nile Virus allowed health control agencies to maintain public health.

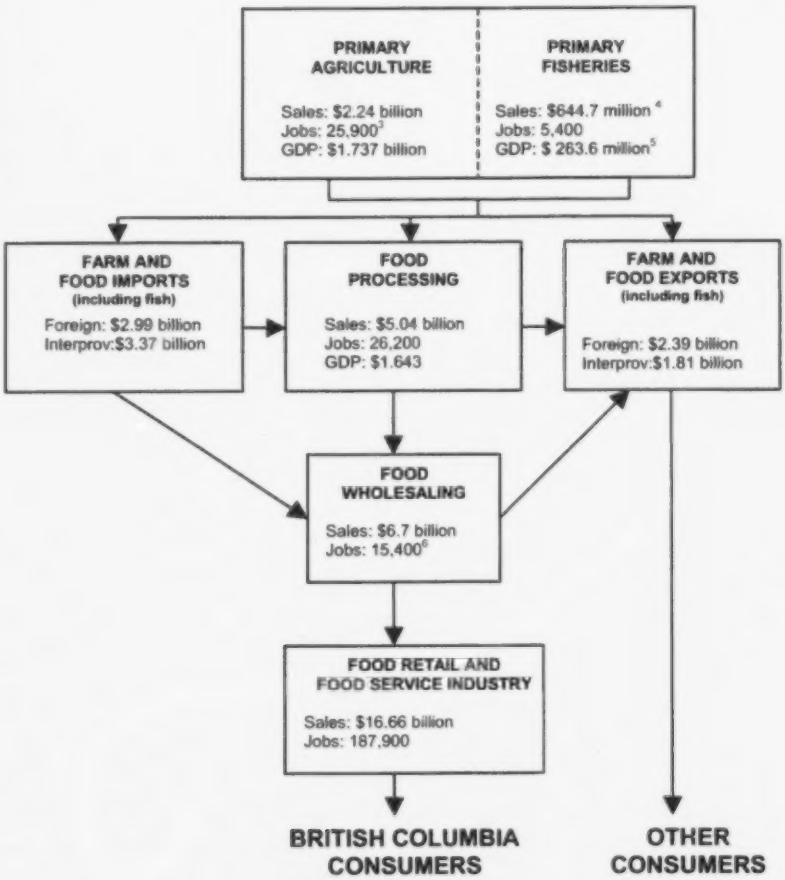
Core Business Area and Goal	2002 Progress
Environmental Sustainability and Resource Development Economic development in the agri-food and seafood sectors that maintains high environmental standards and respects the environmental concerns of all British Columbians.	**On target** • Environmental farm planning (EFP) program developed for use on farms as part of the federal-provincial Agricultural Policy Framework (APF) agreement beginning in 2003/04. • Standards of Practice for Escape Prevention were introduced for the fish sector. These contributed to a drop in fish escapes from about 55,400 in 2001/02 to about 20,400 in 2002/03. • New more enforceable Waste Control regulations were implemented for finfish aquaculture.
Fisheries and Aquaculture Management Maximize economic benefits while protecting the environment and fisheries resources.	**In progress** • Aquaculture licence application streamlined by formalizing a one-window procedure through Land and Water B.C. • In September 2002, the moratorium on finfish aquaculture was lifted to allow sustainable growth of the aquaculture industry and create new jobs in coastal communities. • B.C. proposed a new Pacific Council of Fisheries and Aquaculture Ministers to work cooperatively on fisheries, aquaculture and aquatic habitat matters. The intent is to increase its influence in federal fisheries management policies.
Risk Management Provide basic protection to farmers for uncontrollable and unpredictable disasters such as weather hazards, natural disasters, disease, pests and erratic markets consistent with trade obligations.	**In progress** • A national business risk management program is being developed with the federal government — as part of a five-year federal-provincial Agricultural Policy Framework (APF) agreement. It encourages new public and private risk management tools. It broadens the focus of risk to include food safety and environmental hazards. It could provide in excess of $200 million of new federal funding to B.C. to support these activities. • A review of regulated marketing was completed resulting in a revised policy and governance framework for marketing boards to improve market responsiveness, encourage specialty products and further processing in B.C.

Core Business Area and Goal	2002 Progress
Industry Competitiveness An agriculture, fisheries, aquaculture and food sector that is competitive in a global economy and provides economic benefit and stability to British Columbia's rural and coastal communities.	**On target** • Costly anti-dumping duties or other trade actions against B.C. producers were avoided through advocacy positions taken by the ministry at international trade discussions and in international disputes. • Significantly more commodity information was added to the ministry's award-winning "InfoBasket" internet service website to markedly enhance the range of technical information available electronically to producers and agri-food businesses. • Inequities in the property and sales tax systems (e.g., new crops and certain expense items eligible for farm operations) were corrected to put farmers on a more level footing with other competing jurisdictions and markets. • Significant advances in building industry partnerships with Ministry of Skills Development and Labour in dealing with chronic labour standard issues in the hand-harvest crop sector.
Corporate Services Effective administration.	**Achieved targets** • Budget targets were met. • The ministry reduced regulatory requirements by 12% (544 requirements) as of March 31, 2003. • A comprehensive human resource management plan is in development.

Agriculture at a glance

BRITISH COLUMBIA AGRICULTURE, FOOD AND FISHERIES AT A GLANCE: 2001

TOTAL CONSUMER SALES: $20.9 billion[1]
TOTAL (FOOD CHAIN) JOBS: 273,600[2]



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[1] Includes the value of food retail and food service purchases ($16.27 billion), farm and food exports ($4.2 billion) plus food produced for own consumption ($224.5 million).

[2] Includes all jobs shown on diagram (260,800) plus jobs in farm product storage and transportation, floral/garden retail and agricultural financial services (12,800).

[3] Agriculture jobs include 1,900 jobs in aquaculture [The North American Industrial Classification System (NAICS) includes aquaculture within the agriculture industry].

[4] Includes $286.6 million in sales by aquaculture farms.

[5] Includes $99.5 million in aquaculture GDP and $164 million in wild commercial fisheries GDP (does not include the GDP and jobs created in private sports fishing).

[6] Includes jobs in farm products wholesaling.

Ministry Role and Services

Ministry Vision, Mission and Values

Vision

A competitive and profitable industry providing safe, high quality food for consumers and export markets.

Mission

Provide the business climate for a competitive market-responsive agri-food and fisheries sector, and safeguard the quality of British Columbia's agri-food products for consumers.

Values

The following values outline the fundamental beliefs of the ministry and describe how the organization and its employees interact with clients and each other. The ministry strives to conduct its business in a manner that is:

1. Fair and equitable — Building and maintaining among ministry personnel an effective spirit of teamwork and cooperation based on trust, integrity, flexibility, innovation, social equity, and equality of opportunity.
2. Responsible and accountable — emphasizing responsible use of government resources and transparency in accounting for the use of those resources.
3. Service-oriented — responding to the needs of the public, agriculture and fisheries sector groups, communities and staff in a timely and courteous manner.
4. Partnership-building — promoting teamwork, good working relationships, and effective partnerships with, and co-operation among, all orders of government, First Nations, agriculture and fisheries sector groups and communities.

Ministry Overview

The ministry's role is to provide a business climate that favors a competitive sector and sustainable economic development. The business climate is influenced by various challenges and opportunities. The ministry performs its role by setting strategies that address these challenges and opportunities through six core business areas identified in the government's Core Services Review undertaken in 2001. These core functions are food safety and quality, environmental sustainability, fisheries and aquaculture management, risk management, industry competitiveness and corporate services. Each of these functions as well as the service details within each core function are discussed later in this report.

Ministry Operating Context

Environmental Scan

Agriculture, food and fisheries — an important part of the overall provincial economy

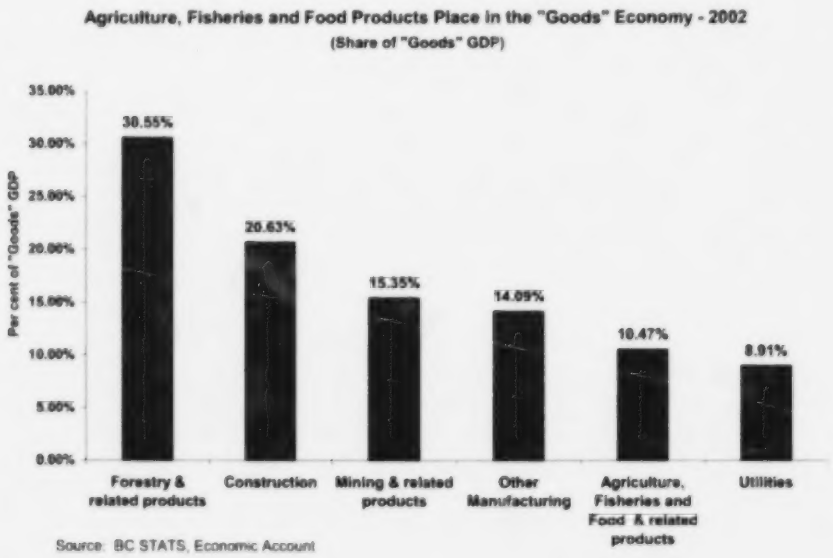
Place in the provincial economy

The agriculture, food and fish sectors are significant to the provincial economy. In 2002 these sectors contributed about $3.5 billion to gross domestic product (GDP) or roughly 11% of total GDP contributed by the goods sector. These sectors combined were a major employer with over 60,000 persons employed at the primary and manufacturing levels. When food distribution, retailing and food service are added there are over 270,000 persons employed throughout the food chain, or one in seven jobs in the employed labor force.

Agriculture and Food Sectors

Trends in key economic measures

Data over the last five years show a mixed economic performance picture for the sectors as a whole.



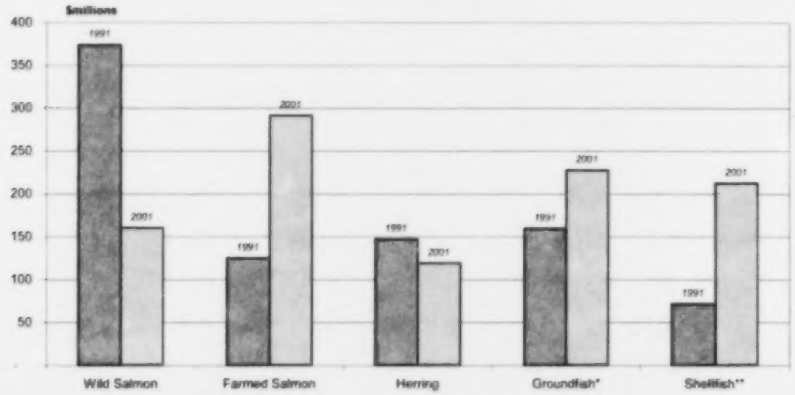
Compared to the previous five-year average, 2002 agriculture product sales at $2.2 billion were up 13.7% while food and beverage sales at $5.3 billion were up 8.2%. Exports of agricultural and food products (excluding fish) which totalled $1.5 billion were up 21% from the previous five-year average. Employment in agriculture and food (excluding wild fisheries) at 57,000 was up a modest 2%, while total investment actually fell by 16.6% at the primary level (combined agriculture, aquaculture and wild fisheries) and by 3.4% at the processing level. The investment declines were due to the reduction of smaller farming operations in key commodity sectors (livestock and fruit and vegetable) and the closure or rationalization of production lines in certain food processing industries (meat slaughtering, seafood processing).

Fisheries and Aquaculture Sector

Key Trends

In the last ten years, the seafood industry has been changing and evolving. The value of salmon and herring wild harvest fisheries has declined while the value of shellfish and groundfish has increased. Farmed fish has increased output and is now the most significant Canadian fish export. Total fish exports reached $1 billion in 2002, up 16% over their previous five-year average. The wholesale value of all B.C. seafood production has remained stable at about $1 billion in the last five years.

Wholesale Value of BC Seafood By Major Species Group
1991 vs 2001



* Includes halibut, hake, sablefish, rockfish, sole, other groundfish, tuna and other fish.
**Includes clams, oysters, crabs, sea urchins, prawns, shrimp and other shellfish.

Source: Ministry of Agriculture, Food and Fisheries

Challenges, Opportunities and Risk Analysis

There are a number of challenges to the sectors from domestic and global sources, but also opportunities. Both affect overall competitiveness. Government's goal is to help the industry respond effectively to the challenges and available opportunities. The government is focusing on an outcome-based competitiveness strategy of helping firms profitably gain and maintain their market share. Government is doing this by removing obstacles, reducing regulations, promoting environmental best practices and trade.

Challenges internal to B.C.

Barriers to growth — Progress was made this year to reduce the regulatory burden on the agriculture and aquaculture sectors. Yet, regulations and somewhat inflexible labour standards remain challenges to be overcome in enhancing industry competitiveness in the future.

Resource constraints — Loss of rangeland grazing, forest encroachment, impact of weeds, access to water and competition with other land uses limits food production capacity.

Intergovernmental issues — Agriculture is a joint jurisdiction under the Canadian constitution. During 2002, the provincial government worked with the federal government

on a major new funding initiative — the Agricultural Policy Framework (APF) to replace an expiring federal/provincial government program that provided funds mainly for agricultural risk management. B.C.'s challenge is to manage provincial government budget pressures against its expected funding contribution (60/40 federal/provincial) to the new program. The jurisdiction over aquaculture and fisheries is also complex and a blend of federal-provincial interests resulting in management and policy challenges.

Diversified production — Agriculture in B.C. is highly diversified. While this is positive in spreading opportunities and reducing risk, it also stretches the capacity of some smaller farm organizations to participate in, and collectively manage, their own development.

Fisheries capacity — Fluctuations in fisheries species abundance, restricted access to fisheries and conflicts over how resources are used continue to affect the fisheries sector. There is also some lack of capacity including high turnover in skilled labour in the processing and harvesting sectors which affects the industry's ability to move into more diversified and higher value-added products.

Challenges externally and globally

Competition from other exporters — The open market for most agriculture, food and fish products makes the B.C. industry vulnerable to significant international competitition, especially from countries with lower production costs beginning to export into some of B.C.'s export markets.

Appreciating Canadian dollar — The agriculture sector exports one-third of its production. The sharp rise in the value of the Canadian dollar since Fall 2002 makes British Columbia's exports more expensive in the United States while competing American imports become less expensive in Canadian markets.

Excessive subsidy payments — Exceptionally generous government subsidy payments to farmers, notably in Europe and the U.S., tend to lower commodity prices in world markets which hurt British Columbia's producers' ability to compete on an equal basis. The international community is currently trying to address trade disparities through multilateral trade negotiations under the World Trade Organization (WTO), as well as regionally, such as the Free Trade Area of the Americas negotiations. Neither of these negotiations is scheduled for completion before 2005.

International trade rules — There are uncertainties and complexities in current international trade rules that may result in marketing challenges for B.C. The recent World Trade Organization ruling on Canadian dairy export subsidies determined that domestic support measures can also be export subsidies. As a result of this, B.C.'s exports of dairy products will decrease. As well, after December 31, 2003, without a new WTO agriculture agreement, there could be an escalation of disputes over the impact of agricultural subsidies in third country markets; i.e., countries in which two other countries export/compete. There are also other trade uncertainties from technical measures taken by other governments, such as mandatory "country of origin" labeling in the U.S. scheduled for September 30, 2004, and new U.S. border measures designed to guard against bioterrorism.

Fisheries challenges — Global markets set food safety standards, and dictate prices and demand for B.C. fisheries and aquaculture products. B.C. producers also have high production costs which affect competitiveness. The public continues to demand safe, high quality and diverse food products while raising environmental and conservation issues. In combination, these lead to shifts in purchasing behavior, lifestyle choices and therefore how fisheries are managed.

Opportunities

While local and global challenges need to be managed effectively, there are a number of opportunities that can enable the sectors to reach their full potential.

Heartlands Economic Strategy — The B.C. government's Heartlands Economic Strategy brings a focus on the contribution of the agriculture, food and fish sectors to developing local community and regional economies.

Agricultural Policy Framework — There are major opportunities arising from B.C. participation in the federal/provincial Agricultural Policy Framework (APF). It could bring more than $200 million of new federal funding to B.C. over the next five years. Implementing the new framework will also enable the B.C. industry to maximize new international market opportunities for high-quality, safe, environment-friendly products.

New trade agreements — There are favorable potential agricultural outcomes from on-going multilateral trade negotiations under the auspices of the World Trade Organization (WTO), as well as regionally, such as the Free Trade Area of the Americas negotiations. These aim to open new market oportunities and level the competitive playing field for efficient producers and processors.

Aquaculture strategic alliance/diversification — Developing a stronger strategic alliance with the federal government on fisheries management in B.C. will be important to diversifying aquaculture products and technologies resulting in a more innovative, market-focused seafood industry.

Niche markets — The broad multicultural population base in B.C. combined with the diverse productive capacity of the sectors can create niche market opportunities.

Internal Risk Analysis

Ministry resources — Effective human resource planning is one of the key strategies to meeting challenges. In addition, examining new opportunities and partnerships for effective service delivery under an environment of budget and staffing constraints is a strategy to meet these challenges. This can be done through financial partnerships and/or coordinated initiatives and action plans with the federal government, with other provincial ministries addressing agricultural and fish issues, and with farm organizations and others within the industry itself as they work to strengthen their own development.

Maximizing such leverage and coordination of activities is already a key part of the ministry's overall strategy. This aspect is likely to grow in emphasis and importance in the years ahead and is a key attribute in effectively managing overall risk.

Strategic Shifts and Significant Changes in Policy Direction

The ministry is on target with making the seven strategic shifts outlined in the core review process. They are:

From	To
• Significant government involvement in industry development programming (research and market development).	• Government working with industry to manage and fund its own development.
• Minimum programs to protect the safety of our food, fish, animal and plant production base.	• Regulations that focus on what is required, not how to do it, and a government monitoring and audit (oversight) role in food safety to reflect higher consumer expectations, and higher risk resulting from global trade and travel.
• Prescriptive approaches to sustainable development and protection of the environment.	• Regulations that focus on what is required, not how to do it, to improve production practices, sustainable development and environmental protection.
• Minimal influence over management of fisheries resource.	• Increased influence over the management of, and greater value from, our fisheries resources.
• Government funds major costs of risk management programs.	• Increased level of producer contribution and increased use of private sector risk management tools.
• Government subsidies to business, including direct grant programs to businesses and organizations.	• Eliminate all subsidies to business, including direct grant programs to businesses and organizations.
• Direct technical advisory services to agri-food sectors.	• Partner with industry to deliver technical information via the internet, and then privatize.

Update on *New Era* Commitments

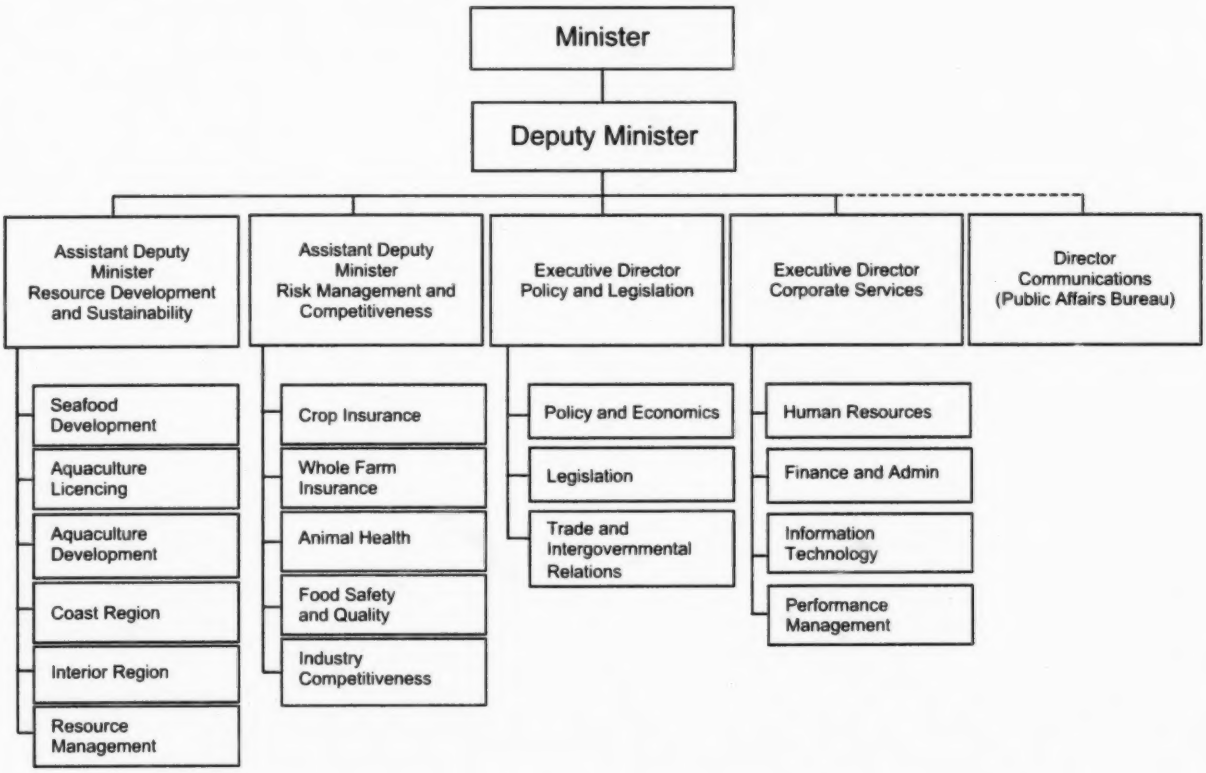
Key *new era* commitments for this ministry were outlined in the Premier's letter of June 25, 2001 to the Minister of Agriculture, Food and Fisheries. Progress on those specific commitments is highlighted below.

Priority Project	Action	Progress to Date
Develop a strategic plan to renew the fisheries industry.	• Review fisheries and aquaculture governance and service delivery. • Build a common vision and strategy for industry development.	**In progress** • The ministry is working with the B.C. Seafood Alliance to implement priority recommendations related to their Vision for a Modern Seafood Industry in B.C. 2001.

Priority Project	Action	Progress to Date
Examine ways to improve the financial viability of aquaculture.	• Improve access to growing sites, particularly in the north and central coast, by streamlining approval processes, standards and the application package for aquaculture at the provincial and local levels.	**Achieved** • Formalized one-window aquaculture licence application procedure through Land and Water B.C. • Worked with Fisheries and Oceans Canada to streamline the application and approval process. • Moratorium on finfish aquaculture was lifted.
Examine the potential for growth of the aquaculture sector in a manner that minimizes environmental impacts.	• Expand salmon aquaculture in an environmentally sustainable way by addressing outstanding issues such as: • Waste and escape management. • Fish health, farm siting, closed containment and other green technologies. • Streamline compliance and enforcement for aquaculture at the federal and provincial levels. • Build and maintain co-operative partnerships to address management and research and development.	**Partially achieved and in progress** • New performance-based regulations implemented escape regulations (introduced April 19, 2002); waste control regulations (introduced September 12, 2002) by Ministry of Water, Land and Air Protection — WLAP. • Fish health guidelines are available. • Salmon farms relocation underway or awaiting federal approval. • Service agreement on compliance and enforcement was ratified between the Ministry of Agriculture, Food and Fisheries and the Ministry of Water, Land and Air Protection. • The B.C. Aquaculture Research and Development Committee comprising representatives from industry, the federal and provincial governments, First Nations, environmental organizations and academia.
Review regulated marketing in the agriculture sector and make recommendations.	• Provide a policy framework for marketing boards to improve market responsiveness, encourage specialty products and further processing in B.C. over a three-year period.	**Achieved** • Framework determining roles and responsibilities of Minister, supervisory boards and commodity boards developed. • Legislation to combine the British Columbia Marketing Board and Farm Practices Board enacted and implementation plan developed.

Priority Project	Action	Progress to Date
Participate actively in supporting the success of the Ministry of Sustainable Resource Management (MSRM).	• Develop and implement shellfish development plans. • Establish a process related to aquaculture siting, resource planning and economic development. • Maintain access to land and water by resolving interagency conflicts over access to land to manage and harvest crops, and access to water for drainage and irrigation.	**In progress** • MSRM has completed several coastal plans. • Agriculture Sector Strategy for Crown Land Access prepared. • Changes to policies to access Crown land for agriculture make it easier to purchase and develop Crown land for agricultural production.
With the Minister of State for Intergovernmental Relations, negotiate to increase provincial influence and represent provincial interests in federal fisheries management decision-making processes.	• Work with the federal government on strategies to renew the fishery and expand aquaculture. • Represent and incorporate provincial interests in federal fisheries and aquaculture management decision-making processes.	**In progress** • Ministers discussed proposal for a new Pacific Council of Fisheries and Aquaculture Ministers. • Continue to work with federal government on: — Dispute Resolution's report on improved decision-making. — Inshore Rockfish Conservation Initiative. — Groundfish Trawl Management Review. — Hake Policy Review and negotiations of new harvest sharing arrangement with the United States. — Appointing a provincial representative to the Pacific Salmon Commission. — Bilateral negotiations with the U.S. over the reciprocal access agreement for Albacore tuna.

Ministry Structure 2002/03



Core Business Areas

The ministry's 2002/03 core business areas are:

1. **Food safety and quality (including animal, plant and fish health)**
2. **Environmental sustainability and resource development**
3. **Fisheries and aquaculture management**
4. **Risk management**
5. **Industry competitiveness**
6. **Corporate Services**

1. **Food safety and quality** (including animal, plant and fish health)

Rationale

- There is an increasing concern, both domestic and international, about the safety and quality of food products. Recent outbreaks of mad cow disease and foot-and-mouth disease in Britain had devastating effects on their national economies.
- The ability of the industry and the province to address this issue in British Columbia depends on being able to implement improved systems for food safety and quality and product tracking throughout the food system and being able to maintain systems for the early detection and control of plant and animal diseases and pests.

Key functions

- Encourage the development and implementation of internationally recognized standards for safety and quality in order to ensure access to both domestic and international markets and to maintain public health standards.
- Facilitate market access by shifting government's role from prescribing regulations to establishing outcome-based regulations with government oversight and improving the consistency between federal and provincial standards.
- Promote the use of best management practices on farms including disease and pest management, waste management, weed control, and on-farm food safety and quality systems by working proactively with the agriculture and fish sectors.
- Operate a plant disease diagnostic laboratory and world-class animal health laboratory to monitor and prevent disease events from getting out of control.
- Work with other ministries and the federal government in operating food inspection programs.

Audience

- Producers, consumers

2. **Environmental sustainability and resource development**

Rationale

- In order to achieve the economic potential of agriculture, aquaculture and fisheries, we need to manage growth in an environmentally and socially sound manner.
- Some government regulations constrain development and investment in agriculture.
- While urban dwellers are concerned about some agricultural practices of neighbouring farms, the agriculture sector itself is increasingly concerned about its ability to operate effectively within municipal areas because of the impact of some local government bylaws that could limit operations by type, size or operational methods. We must promote co-operation and understanding among neighbours at the rural/urban interface.

Key functions
- Develop and encourage use of environmentally sound management practices such as Integrated Pest Management (IPM) and others already in use.
- Remove constraints to development by working with other government ministries to address obstacles such as agriculture/aquaculture industry's access to Crown land and water, predator management, wildlife management and other issues.
- Develop and deliver programs on best farm practices related to management of soil, waste and water.
- Review local government bylaws to ensure they are supportive of farm operations and therefore encourage investment in local economies.

Audience
- Producers, consumers

3. Fisheries and aquaculture management

Rationale
- B.C. has a significant opportunity to expand both the aquaculture and wild fisheries sectors within the overriding accepted premise of sustainability of the wild fisheries resource.
- Constraints exist in the management of the wild fisheries sector, primarily federal management practices related to conservation, and fluctuations in production.
- Within aquaculture, the constraint has been limitations on expansion of existing farms, the development of additional farms and therefore inability to capture existing markets largely because of public concern on environmental issues.
- The challenge is to manage conflicting expectations among all those involved including the cultural and economic needs of First Nations, the economic needs of commercial fishers, and the access by the general public to sport fisheries.

Key functions
- Develop and encourage use of environmentally sound management practices.
- Implement and monitor new waste and escape regulations, and address barriers to siting.
- Continue discussions with the federal government to increase B.C.'s influence over federal policies and decisions affecting the wild commercial fishery.
- Licencing and monitoring of fish operations.

Audience
- Fish producers, consumers

4. Risk management

Rationale
- Agriculture faces many risks including unpredictable weather, diseases and markets. All of these risks can cause unstable incomes, and often have caused very significant losses.
- The objective of risk management programs is to stabilize these fluctuations and allow farmers to continue operating through downturns and remain competitive. Government is fostering a shared risk management approach that includes improved risk management by farmers themselves.
- Governments in many other provinces and jurisdictions world-wide provide greater levels of income support to farmers. This hurts the competitive position of British Columbia farmers. British Columbia's trade policy objective is the elimination of all trade and production distorting subsidies to establish a level competitive playing field for the province's agri-food industry.

Key functions
- Implement a new long-term agriculture policy agreement with the federal government (Agricultural Policy Framework — APF) that deals with risk management, food safety, environmental sustainability, renewal and science/ innovation. [See reporting section for details — Core Business Area 4 — Risk Management]
- Operate the Crop Insurance, Whole Farm Insurance Program (WFIP) and Net Income Stabilization Account (NISA) in conjunction with the federal government up to 2002/03. The APF will provide a new suite of programs for 2003/04 onward.
- Oversee regulated marketing systems and maintain support for national supply management (dairy, poultry and eggs). Implement changes to the regulated marketing system over the next three years to reflect directions of the British Columbia government's core review process.

Audience
- Producers

5. Industry competitiveness

Rationale
- British Columbia's agriculture, food and seafood industries have an opportunity to grow.
- There are a number of barriers to competitiveness including access to markets, trade barriers, and internal government red tape.

Key functions
- Advocacy role to ensure farm, fish and processor interests are considered in government wide programming, services and regulations, industry-led and funded research and market development
- Reduce the regulatory burden (government-imposed costs) on businesses by reducing regulations and shifting to outcome/results-based regulations instead of prescriptive regulations i.e., what results are expected instead of how to do it.
- Influence international and interprovincial trade negotiations and disputes.
- Foster research, development and innovation through industry self-financing programs and incentives.
- Education, training, strategic planning services to encourage self-reliance.

Audience
- Producers

6. Corporate Services

Rationale
- Government has re-emphasized the need to be cost-effective in program and service delivery, to reduce regulation and red tape, and ensure government employees are well-managed and efficient.
- The stated management theme in the government's strategic plan is: "Government is innovative, enterprising, results-oriented and accountable".

Key functions
- Effective policy development.
- Financial management.
- Human resource management.
- Business operations management.

Audience
- Internal

Consistency with Government Strategic Plan

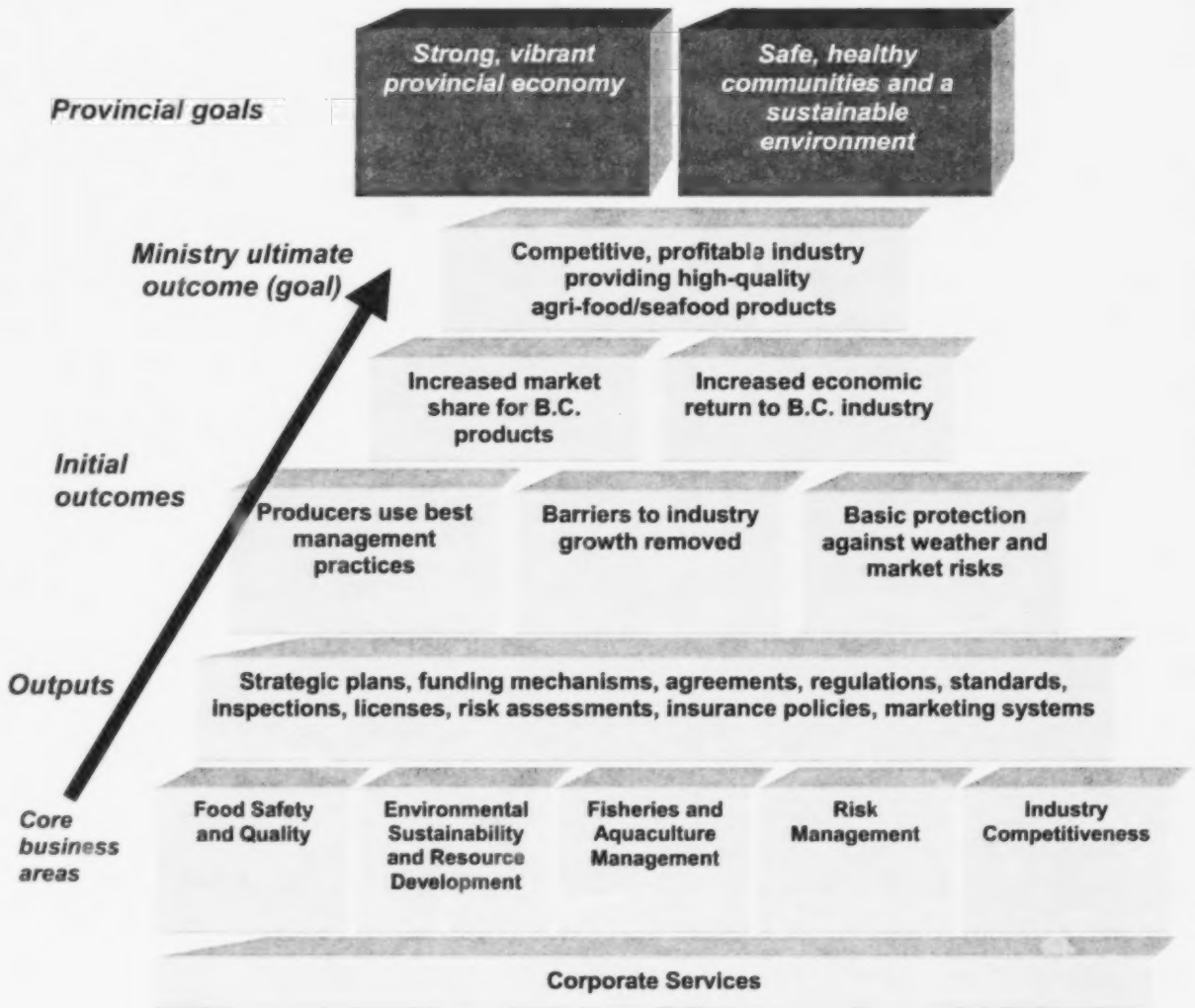
Each core business area indicates specific linkages with the Provincial Government's *"A New Era for British Columbia"*. The core business area descriptions also describe linkages to the Premier's letter to the Minister where applicable.

Specifically, the government's broad goals are:

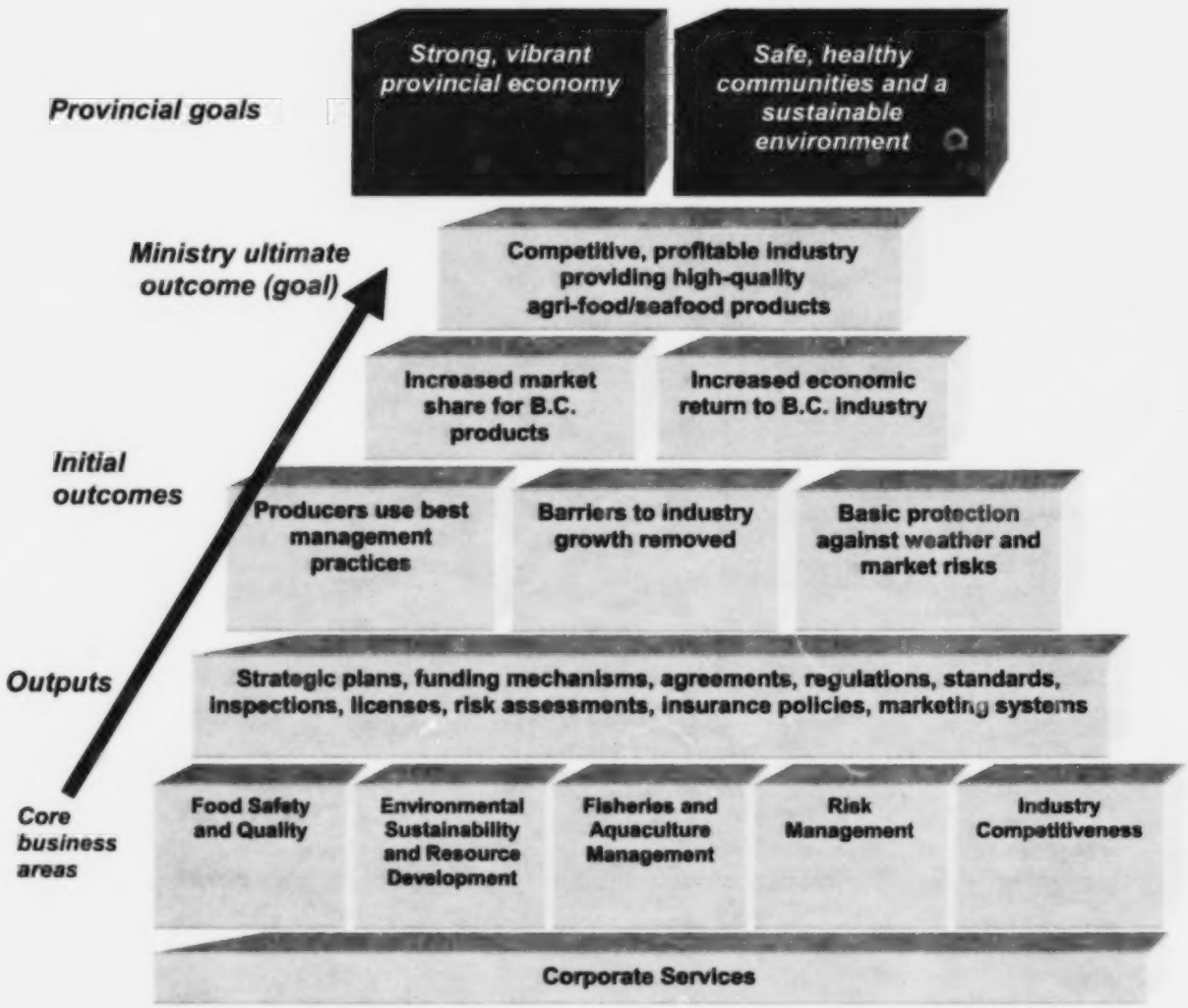
- A strong and vibrant provincial economy
- A supportive social infrastructure
- Safe, healthy communities and a sustainable environment

All of the ministry's core business areas address the first goal of developing a stronger economy. Specific core business areas also address one of the other goals directly e.g., food quality and safety, and environmental sustainability and resource development, would address the last goal. All of the core business areas address each of the government's goals to some degree. [see illustration on following page]

Ministry core business areas and goals support government Strategic Plan goals


Provincial goals
Strong, vibrant provincial economy
Safe, healthy communities and a sustainable environment
Ministry ultimate outcome (goal)
Competitive, profitable industry providing high-quality agri-food/seafood products
Increased market share for B.C. products
Increased economic return to B.C. industry
Initial outcomes
Producers use best management practices
Barriers to industry growth removed
Basic protection against weather and market risks
Outputs
Strategic plans, funding mechanisms, agreements, regulations, standards, inspections, licenses, risk assessments, insurance policies, marketing systems
Core business areas
Food Safety and Quality
Environmental Sustainability and Resource Development
Fisheries and Aquaculture Management
Risk Management
Industry Competitiveness
Corporate Services

Ministry core business areas and goals support government Strategic Plan goals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Performance Reporting

Ministry Goals, Objectives, Key Strategies, Core Business Areas and Results 2002/03

Core Business area 1 — Food safety and quality

Goal: Food safety and quality levels that meet public health objectives and standards and thereby secure access to national and international markets.

Outcome: Enhanced economic growth and consumer confidence through reliable food safety/quality programs.

Objective 1:

BC food, agriculture and seafood products which are safe for consumers.

Key Strategies:

- Shift government role to oversight, monitoring and risk assessment.
- Shift regulations to be results/outcome-based.

Measure	Baseline	2002/03 Target	2002/03 Actual
Selected outcome-based regulations in place (ministry).	95/5% mix of prescriptive and outcome-based regulations.	Aquaculture regulations outcome-based.	**On target** • New performance-based regulations implemented escape regulations (introduced April 19, 2002); waste control regulations (introduced September 12, 2002) by Ministry of Water, Land and Air Protection — WLAP. • Conducted policy development and consultations on new outcome based regulations with industry regarding the de-regulation and re-regulation of the former *Milk Industry Act, Bee Act, Artificial Insemination Regulations, Veterinary Drug and Medicated Feed Regulations, Veterinary Lab Act.*

Objective 2:

Help the seafood and agri-food industry meet national and international standards, access existing markets and target new specialty markets.

Key Strategies:

- Support industry-led programs for quality control, standardized on-farm food safety assurance (e.g., "Hazard Analysis Critical Control Point" — HACCP) systems, product identification and tracking programs.

Measures	Baseline	2002/03 Target	2002/03 Actual
% of industry production under voluntary quality certification programs.	6% of B.C. production under recognized quality control programs — e.g., Vintners Quality Alliance (VQA) and organic.[1]	Increase to 15% over 3 years. Under development.[1]	**In progress** • VQA and organic continues under recognized quality control program. • The top five B.C. agri-food commodities (dairy, cattle, chickens, eggs and tomatoes i.e., approx. 51% of industry) all have quality assurance programs or written best management practices available. Combined, this represents about 57% of industry production.[1]

[1] Quality assurance measure — About 6% of B.C. production is certified under recognized quality control programs. An additional 51% of B.C. production (dairy, cattle, hens and chickens, eggs and tomatoes) have available, but have not fully implemented, quality assurance (QA) programs or written best management practices (BMPs). That is to say, their QA programs or BMPs are not implemented on all farms. The ministry and industry are working on methods of determining the extent of implementation. The first step toward having them implemented is seen as having the programs available.

Objective 2: *(continued)*

Measures	Baseline	2002/03 Target	2002/03 Actual
Adoption of Hazard Analysis Critical Control Point (HACCP)[1] principles by: • agriculture operations • the shellfish industry at the farm level • seafood harvesting sector • food sector (HACCP already in place)	• Agriculture — 0% • Shellfish — 0% • Seafood harvesting <5%.	Increase to 30% over 3 years.	**In progress** • Agriculture — 0% — Strategic plans for HACCP programs in the agriculture sector are under development as part of the national Agricultural Policy Framework. • Shellfish — 0% — The B.C. Shellfish Growers Association initiated internal discussions and has made the adoption of HACCP principles a priority this year. • Seafood harvesting sector — about 14% adopted HACCP principles.

[1] HACCP — Hazard Analysis Critical Control Point is a systematic approach to identify, evaluate and control food safety hazards. HACCP involves hazard analysis, critical control point identification, establishing critical limits, monitoring procedures, corrective actions, verification procedures, record-keeping and documentation. If a deviation occurs indicating that control has been lost, the deviation is detected and appropriate steps are taken to re-establish control in a timely way to assure that potentially hazardous products do not reach the consumer.

The intent is to use HACCP-based systems on farms to identify, evaluate and control hazards that are significant for food safety. HACCP works by identifying, monitoring, and controlling the specific factors (e.g., time, temperature, pH, water activity) that are known to contribute to food borne disease outbreaks, and verifying the actions taken.

Related activities

Food safety and quality — within national program

- Food safety and quality is a major "chapter" within the Agricultural Policy Framework (APF) agreement, a federal/provincial cost sharing program. APF also includes other chapters on risk management, environmental sustainability, renewal, innovation and international trade. The new five-year APF agreement takes effect April 2003, after individual agreements are signed with participating provinces. APF will enable more concentrated work on risk identification/assessment and traceback/tracking systems in B.C.

On-farm food safety (OFFS)

- The ministry is contributing to the OFFS recognition process and implementation on B.C. farms. The national recognition protocol, product identification and tracking programs are under development.
- Farm commodity groups have recognized the importance of improving food safety practices to meet market expectations and to prepare growers for future on-farm food safety programs. Ministry staff conducted on-farm food safety sessions and individual farm consultations to encourage adoption of good agricultural practices. As an example, over 500 berry growers participated in the on-farm food safety training, resulting in them being better prepared to address food safety concerns and the coming national on-farm food safety program.

Objective 3:

Maintain the health of animal, plant and fish production systems.

Key Strategies:

- Rapid diagnosis and detection of diseases and immediate dissemination of control information.
- Enable development and dissemination of advanced and innovative control options for diseases, invasive pests and noxious weeds.

Measure	Baseline	2002/03 Target	2002/03 Actual
Control options including Integrated Pest Management (IPM)[1] and other techniques available for diseases, pests and noxious weeds. e.g.: Sterile Insect Release program.	Measures of adoption of advanced control techniques under development.	Measurable increase. *amended to: establish baseline for future measurement.	**In progress** — baseline established to measure progress in future. • An analysis was conducted on latest available information (1998); shows that 77% of berry, 95% of grains/oilseeds, 85% of tree fruit and 85% of field vegetable acreage in B.C. are produced using IPM practices. • Surveys will be conducted over the next 2 years to determine progress.

[1] IPM — integrated pest management (IPM) is a process that promotes non-chemical pest control practices, identifies and monitors pest populations, and applies treatment thresholds for using chemical or biological controls when required. A properly designed program aims to create conditions that are optimal for the crop and less favourable for pest development.

Related activities

Fish Health

- Fish health guidelines entitled Required Elements of a Fish Health Management Plan for Public and Commercial Fish Culture Facilities are now available on the ministry's web site.
- The new fish health database is being created to provide a current picture of fish health on a quarterly basis for the whole industry.
- A ministry fish health audit and surveillance program is underway with approximately 25% of all active finfish farms surveyed on a quarterly basis.

Disease management

- Ministry provided information to B.C. Centre for Disease Control (CDC), animal owners, and submitters regarding diseases transmissible to humans. As an example, information allowed for the investigation of both human and animal cases of *Cryptococcus* sp. infection on eastern Vancouver Island.
- Ministry contributed to a West Nile Virus strategy for B.C. The ministry is working with the CDC and regional health authorities and others to actively monitor for the presence of the virus in birds and horses.
- Ministry's Animal Health Centre analyzed over 5,000 material submissions to fulfill the ministry's mission of surveillance of diseases of economic significance and/or foreign animal diseases. This enabled specific diagnoses and recommendations for biosecurity, control, and treatment.

Weed management

- Harmful weeds double their populations every five years and continue to reduce agricultural capacity. Crop losses due to weeds in B.C. are estimated to exceed $50 million and weeds reduce availability of forage to grazing animals (domestic and wildlife) by roughly 50%.
- The ministry works in partnership with local governments to establish and maintain community-based weed control programs.
- Biological weed control programs and awareness programs were conducted to reduce the impacts of established weeds and prevent large scale invasion of new ones. Nine bioagents targeted nine invasive noxious weed species, of which three are effectively controlled and six showing population reductions in localized areas resulting in the application of less herbicides and cost savings.

Core Business area 2 — Environmental sustainability and resource development

Goal: Economic development in the agri-food and seafood sectors that maintains high environmental standards and respects the environmental concerns of all British Columbians.

Outcome: Job creation, higher productivity, fewer restrictions on development, fewer regulatory conflicts and good environmental stewardship.

Objective 1:

Develop improved technology and management to increase environmental sustainability and profitability.

Key Strategies:

- Implement and enhance farm environmental plans (including standards, operating procedures and audit processes), in conjunction with producers, regions and agencies.
- Continue implementation of salmon aquaculture programs to address key issues related to environmental performance.
- Streamline and update regulations for aquaculture by 2002/03.

Measures	Baseline	2002/03 Target	2002/03 Actual
Measure of impact of agriculture on the environment. Degree to which agriculture farms use best management practices to protect water and soil quality and prevent damage by wildlife. (includes service plan measure on "high quality environmental farm planning systems in place")	< 10% of B.C. farms with environmental farm plans in place.	25% over 3 years.	**In progress** • Environmental Farm Planning program is in final stages of development. • Progress on the percentage of B.C. farms with environmental farm plans in place and adoption of best management practices will be determined through data comparison in 2003. • Pilot wildlife-waterfowl damage control and compensation projects were put in place.

Measures	Baseline	2002/03 Target	2002/03 Actual
Standards of Practice (code of conduct) developed for shellfish aquaculture operations as licensing requirement.	No standards established.	Complete.	**In progress** • Extensive consultation with industry and stakeholders resulted in a Standards of Practice that will provide minimum standards to which all shellfish farmers must adhere. A regulation is being drafted to make the standards enforceable as a condition of licence.
Development of standards, policy and regulation maximizing environmental performance of the aquaculture industry: • Policy framework for new and emerging fisheries with Department of Fisheries and Oceans. • Fish health management plan and standards, industry database. • Finfish performance-based waste management standards. • Refine Escape Prevention Standards.	Under development.	Complete all plans and standards.	**In progress** • Several emerging fisheries are being developed on a precautionary basis. • Fish health on farms is being monitored industry wide with about 25 per cent of farms surveyed quarterly. • Fish health database almost complete. A report on industry health status will be available in 2003. **Achieved** — Waste control regulations were introduced September 12, 2002 by Ministry of Water, Land and Air Protection. **Achieved** — Escape regulations were introduced April 19, 2002.
Outcome measures for the following will be determined: • Fish escape standards • Finfish health management plan.	68,247 total fish escapes (2000) 55,414 total fish escapes (2001) voluntary compliance by farm owners.	Zero escapes Fish health management plan in place.	**Zero escapes not achieved** — fish escapes continue to decline. **Achieved** — *Required Elements of a Fish Health Management Plan for Public and Commercial Fish Culture Facilities in B.C.* is now available on the ministry's web site.

Measures	Baseline	2002/03 Target	2002/03 Actual
Development of annual performance reports for aquaculture: • Compliance and Enforcement Reports for aquaculture • Fish Health Report	Under development.	Complete reports.	**Achieved** • An analysis and report of the inspections at all salmon farms is completed and compiled into an annual report each year. For the first time, Ministry of Agriculture, Food and Fisheries inspectors conducted some inspections on behalf of the Ministry of Water, Land and Air Protection because of a new service agreement. This year's annual report will combine the findings of both ministries' inspections. • A report on industry fish health status will be available in 2003.

Objective 2:

Contribute to resource planning processes that reduce land and water allocation conflicts and enhance access to capable lands.[1]

Key Strategies:

- Prepare and maintain an agriculture sector strategy to identify needed resources on an ongoing basis.
- Participate in land-use planning and zoning processes in conjunction with Ministry of Sustainable Resource Management to ensure access to resources for agriculture and aquaculture.

Measure	Baseline	2002/03 Target	2002/03 Actual
Increased Crown land tenured for shellfish aquaculture.	2,727 hectares * amended to 2,276 based on more accurately captured data.	10% per year increase.	**On target** — 2,448 ha (2002).

[1] See Related activities: Land use planning and access for agriculture.

Related activities

Land use planning and access for agriculture

- The ministry supported the preparation of an Agriculture Sector Strategy for Crown Land Access by the Ministry of Sustainable Resource Management to identify needed resources and constraints to access and use.
- The ministry worked to determine which Crown land areas are most capable and suitable for agriculture. Staff implemented arability assessment projects resulting in thousands of hectares of land across the province being designated as Agriculture Development Areas (ADA) for future agricultural development.
- Several programs continued or were put in place to deal with crop damage by wildlife.
  - East Kootenay Agriculture-Wildlife Damage Compensation pilot program (in conjunction with producer groups) — In 2002/03, $820,000 in crop losses was verified and $650,000 in compensation was paid out to 52 claimants whose crops were significantly damaged by wildlife.
  - B.C. Wild Predator Loss Control and Compensation pilot program (in conjunction with the B.C. Cattlemen's Association) — In the first year of the program (August 2002 to March 2003) total compensation paid to producers was $28,075 for claims of cattle verified as killed by predators.
  - Delta Forage Compensation pilot program (in conjunction with several agencies) — 21 producers received $61,205 in compensation for waterfowl damage to about 900 acres of forage.
  - Eight agriculture/wildlife projects and two stewardship projects continued in the Interior region. To date, 70 stackyards have been fenced to reduce stored feed losses in the Peace River, and 103 km of fencing was constructed to reduce forage crop losses in the East Kootenays.

Land resource inventory

- The ministry continued working with the Ministry of Sustainable Resource Management (MSRM) on coordinating geographic information systems in government for information on land use, soil capability, terrain, mapping requirements, existing base maps and other geographic information needs.

Living Rivers Strategy

- The ministry continued working with the Ministry of Water, Land and Air Protection (WLAP) on its Living Rivers Strategy. The premise is the conservation and restoration of rivers and watershed systems based on an ecological, science-based management model and the engagement of the public, private and voluntary sectors in active stewardship roles.
- A draft discussion paper will be released in mid 2003.

Climate change

- The ministry is participating in developing a strategy for inclusion in the province's response to Canada's climate change plan and the Kyoto Accord.
- The five-year federal/provincial Agricultural Policy Framework (APF) agreement includes a component on environmental programs, and will address climate change issues with management and sustainability targets, including agricultural emissions of gases that contribute to global warming.

Objective 3:

Local government plans, bylaws and other initiatives that are supportive of, and do not hinder, agriculture and aquaculture development.

Key Strategies:

- Support municipal bylaw reviews, and the development and implementation of local government agriculture plans to ensure they are supportive of agricultural activity.
- Resolve rural/urban conflicts.
- Review and update "right-to-farm" legislation.

Measure	Baseline	2002/03 Target	2002/03 Actual
Bylaw reviews conducted of local governments with significant agriculture activity (approx. 50) to determine their support of agricultural activity.	Reviewed bylaws of 12 out of 50 local governments.	Bylaws of 5 key jurisdictions improved for agriculture; Review appropriate bylaws of 5 additional local governments each year.	**On target** • Formal bylaw reviews, mandated by the *Local Government Act* regulation were underway in Delta, Langley, Abbotsford and Kelowna.

Objective 4:

Eliminate government subsidies to businesses.

Key Strategies:

- Discontinue Grazing Enhancement Fund program by March 31, 2002.

Measure	Baseline	2002/03 Target	2002/03 Actual
Eliminate grants to businesses and organizations.	$2.5 million (Grazing Enhancement Fund).	$0	**Achieved** — $0 — Grazing Enhancement Fund was terminated March 31, 2002.

Core Business area 3 — Fisheries and Aquaculture Management

Goal: The most economic benefit possible from fisheries and aquaculture while protecting the resource.

Outcome: Competitive and self-reliant seafood industry.

Objective 1:

Enhance the financial viability, self-sufficiency and environmental performance of the fisheries and aquaculture sectors.

Key Strategies:

- Support industry-led development and diversification projects such as: new species development for the wild and cultured industry, processing that adds value to the raw product, use of the by-products, selling into more markets and research and development.
- Relocate poorly-sited finfish farms and site new technology and new finfish farms.

Measure	Baseline	2002/03 Target	2002/03 Actual
Economic growth of the seafood sector — wholesale value.	$1.056 billion (2000) revised to $1.011 billion (2001 data).	Increase wholesale value of B.C. seafood by an average of 4% annually. $1.2 billion by 2004/05.	**On target** • Early estimates for 2002 of the wholesale value of farmed fish at $332 million and the wholesale value of the wild fish harvest at $718 million indicate that total sector growth is on target.
Successful siting of: • Poorly-sited finfish farms, • Alternate technology finfish farms, and • New finfish farms	Industry capped at 121 tenures. 7 of 36 farms moved.	Salt-water new technology farms sited. Siting of new finfish farms underway and ongoing.	**On target** • 17 proposals approved, 5 have been relocated; 12 awaiting federal approval. • 3 pilots (2 closed containment and 1 alternate feed) finfish farms sited and operational. • No new finfish farms were approved in 2002/03.

Objective 2 & 3:

Redefine federal-provincial fisheries governance (roles) to increase provincial influence over fisheries and revenues.

Provide an effective management framework for fisheries and aquaculture that does not inhibit the sector's ability to conduct business effectively.

Key Strategies:

- Represent and incorporate provincial interests in federal fisheries management and decision-making processes.
- In conjunction with Intergovernmental Relations, negotiate with the federal government for greater influence over fisheries management and revenues.
- Build and maintain co-operative partnerships for research and development.[1]
- Complete the review of fisheries and aquaculture management and service delivery by 2002/03.
- Harmonize government review and approval processes for aquaculture (access to Crown land and operation of aquaculture sites).[2]

Measure	Baseline	2002/03 Target	2002/03 Actual
Government position on B.C. Seafood Alliance's eight priority action items including:[3] 1. Establish a baseline for co-management agreements for B.C.'s commercial fisheries. 2. Organization and infrastructure to support marketing and industry research and development. 3. Review effectiveness provincial and federal seafood inspection regulations.		1. Accountability framework. 2. Baseline (benchmark) study. 3. Assess need and establish workplan.	**On target** 1. a) Federal/provincial committee established to agree on approach toward addressing action items. b) "Sustainability through Co-management" summit held October 2002. c) Status report on co-managed fisheries in B.C. was completed and presented at the summit. 2. A contract was issued to undertake basic background research and industry assessment for a seafood marketing organization. The report was received in March and will be considered by both government and industry for further direction. 3. A consultant's discussion paper was received March 2003. It provides an overview of the existing legal framework, assesses the two regimes and compares key substantive requirements of each system.

[1] See Related activities: Aquaculture research and development.

[2] See Related activities: Streamline the aquaculture system.

[3] The measures in this section have been modified slightly to more accurately depict the goals and objectives on these initiatives.

Related activities

Influence over federal fisheries management policies	• Ministers met during mid-2002 and proposed to the federal government a new Pacific Council of Fisheries and Aquaculture Ministers. The establishment of the council would enable the development of a cooperative relationship between the provincial and federal ministers, which the province could build on to achieve effective influence. • The ministry continues to represent and incorporate provincial interests in federal fisheries and aquaculture management decision-making processes.
Aquaculture research and development	• The ministry established a $3.75 million Aquaculture and Environment Research Fund (Aqua E Fund) through the University of British Columbia to enable practical work to be undertaken on the environmental aspects of finfish and shellfish aquaculture that will address questions of public interest and policy.
Streamline the aquaculture system	• The government formalized a one-window aquaculture licence application procedure through Land and Water B.C. which simplifies the application process for aquaculture proponents. • The ministry also worked with Fisheries and Oceans Canada to streamline the application and approval process.

Objective 4:

Eliminate government subsidies to businesses and organizations.

Key Strategies:

- Eliminate development grants by 2002/03.
- Eliminate contributions to the Shellfish Aquaculture Working Capital Fund.
- Wind up Fisheries Renewal B.C. by March 31, 2002.

Measure	Baseline	2002/03 Target	2002/03 Actual
Eliminate grants to businesses and organizations.	$15.3 million	$0	**Achieved** — $0 — Consistent with government policy to eliminate subsidies, no further direct government subsidies for seafood businesses and organizations.

Core Business area 4 — Risk Management

Goal: Provide basic protection to farmers for uncontrollable and unpredictable disasters such as weather hazards, natural disasters, disease, pests and erratic markets consistent with trade obligations.

Outcome: Increased private sector responsibility for management of farming risks, and a more level playing field for industry relative to other jurisdictions to effectively mitigate unpredictable, uncontrollable risks.

Objective 1:

Assist farmers to manage risks from natural disasters, weather hazards, disease, pests, and erratic markets; review and improve the effectiveness of risk management programs; reduce the likelihood of demands for ad-hoc government financial assistance.

Key Strategies:

- Discontinue NISA (Net Income Stabilization Account) Interest Bonus by 2002/03. Discontinue provincial participation in NISA or WFIP (Whole Farm Insurance Program) by 2004/05.
- Continue delivering crop insurance program while examining private sector options for risk management.

Measure	Baseline	2002/03 Target	2002/03 Actual
Private sector delivery of components of crop insurance programs by 2004/05.	Virtually 0% of program sales component privately delivered.	Move toward private sales delivery. * target amended to evaluate delivery options including private delivery of some or all functions	**Delayed** • Internal assessment of options completed. Further analysis and decision to proceed has been delayed until new Production (crop) Insurance priorities are established — (2004/05). • Private sector delivery: re-evaluating private sector delivery targets to consider the implications of the new Agricultural Policy Framework (APF) agreement and linkages between risk management programs in the APF.

Measure	Baseline	2002/03 Target	2002/03 Actual
Provincial participation in income stabilization programming rationalized.	NISA and Whole Farm Insurance Program in place.	Either/or but not both or a new lower cost alternative program by 04/05.	**On target** • Under the APF, WFIP and NISA will be rationalized and combined into one.
Impact of weather-related crop disasters effectively mitigated.	Insurable crops covered by insurance ranges from 30% to 90%.	70% of all insurable crops covered by insurance over three years.	**In progress** • Participation levels achieved in most crops. • New Production Insurance agreement is being negotiated as part of APF with more flexibility to improve sales in low participation crops such as forages.

Related activities

APF impacts on NISA and Whole Farm Insurance Program

- The ministry service plan indicated that farm income stabilization programs needed to be rationalized which requires the discontinuation of either NISA (Net Income Stabilization Account) or WFIP (Whole Farm Insurance Program).
- Through negotiations of programs under the Agricultural Policy Framework (APF), the ministry has presented its positions to achieve this result. However, the expected expenditure reductions are not likely to be achieved.

Crop Insurance program (see data below)

- In 2002, the crop insurance program provided insurance coverage valued at about $273 million across six major commodity groups i.e., berries, forage, grain, grapes, tree fruits and vegetables. Crop losses in 2002 were well below normal with claims from all crops totalling about $4 million. The largest losses occurred as a result of spring frost on tree fruits ($2.5 million) and excessive spring moisture in the grain producing areas of the Peace River area ($0.5 million). The crop insurance program premium revenue from all sources was approximately $15.8 million.

Whole Farm Insurance program

- The Whole Farm Insurance Program (WFIP) received 434 claim applications from B.C. farmers for the 2001 claim year. Out of that total, 245 received payments averaging $38,706 each for a total program payout of $9.48 million.

Crop Insurance program data	2001/02	2002/03 (Unaudited)	2003/04 (Target)
	2001 crop year	**2002 crop year**	**2003 crop year**
Premiums	$14.7 mil.	$15.8 mil.	$15.5 mil.
Value of crops covered	$262.0 mil.	$273.0 mil.	$265.0 mil.
Loss ratio of claims to premiums (10 year moving average)	0.71	0.67	0.70
Administration costs as a percentage of premiums	17%	16%	17%

Measure	Baseline	2002/03 Target	2002/03 Actual
Provincial participation in income stabilization programming rationalized.	NISA and Whole Farm Insurance Program in place.	Either/or but not both or a new lower cost alternative program by 04/05.	**On target** • Under the APF, WFIP and NISA will be rationalized and combined into one.
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Objective 2:

Maintain a reasonably level playing field in publicly supported agricultural risk management programs compared to competing jurisdictions; receive a fair share of federal funding for risk management programs offered to Canadian farmers.

Key Strategies:

- Negotiate with federal government for new national farm insurance programs[1] by March 31, 2003.
- Phase down publicly supported agricultural risk management and encourage private sector options subject to WTO negotiations.

Measure	Baseline	2002/03 Target	2002/03 Actual
Federal funding to B.C. farmers is proportionate to that in other provinces.	4.8% of federal expenditures (based on B.C.'s share of Canada's farm cash receipts).	Up to 6% of federal expenditures over three years (dependent on provincial cost-sharing).	**In progress** • The new risk management component of APF is demand-driven; full industry participation is needed in order to achieve the target 6% share of federal funding for B.C. over three years.
Availability of private sector risk management tools.	Limited and specific tools available and being utilized.	Broader range of tools available and being utilized over long-term	**In progress** • The new APF agreement encourages new public and private risk management tools. It broadens the focus of risk to include food safety and environmental hazards.

[1] See Related activities: National farm insurance program.

Related activities

National farm insurance program

- British Columbia's intent is to phase down direct provincial government expenditures in agriculture risk management programs in the long term. This is dependent on a new WTO agreement which is seeking to reduce agricultural subsidies world-wide. The objective in the meantime is to develop a more business-like approach that focuses on profitability rather than income support, including higher farmer funding and private delivery where feasible. Participation in national programs will give B.C. farmers a more level playing field with producers in other provinces.

Objective 3:

Implement the recommendations following the regulated marketing review.

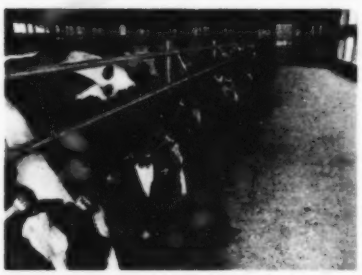
Key Strategies:

- Provide policy framework for marketing boards to improve market responsiveness, encourage specialty products and further processing in B.C. over a three-year period.

Measure	Baseline	2002/03 Target	2002/03 Actual
Regulated marketing review completed.	Current governance system.	Repeal two marketing boards (grape and tree fruit).	• Review completed. • Grape and tree fruit marketing boards were repealed. • A new governance framework[1] has been implemented.

[1] Governance framework includes:

- A clear economic policy framework to encourage new markets, competitiveness.
- More efficient and effective dispute resolution processes with streamlined appeal function and increased emphasis on mediation.
- Appointed rather than elected chairs.
- Signed letters-of-expectations between Board Chair and Government to clearly define the relationship between Government and Boards and to provide higher standards of responsibility and accountability in administration and decision-making.



Core Business area 5 — Industry Competitiveness

Goal: An agriculture, fisheries, aquaculture and food sector that is competitive in a global economy and provides economic benefit and stability to British Columbia's rural and coastal communities.

Outcome: More profitable and growing sector.

Objective 1:

Enable and implement self-funding systems to increase industry self-reliance and reduce dependence on government funding, and eliminate subsidies to businesses and organizations.

Key Strategies:

- Enable levy systems for industry to fund its own technology and development.
- Eliminate grants to entities including BUY B.C., B.C. Fairs & Exhibitions Assn., B.C. Wine Institute, B.C. Agriculture Council.
- Accelerate contributions to the Okanagan Valley Tree Fruit Authority to enable meeting of the government's commitment to support the tree replant program by 2003/04 instead of 2005/06.

Measure	Baseline	2002/03 Target	2002/03 Actual
Increased self-reliance of the agriculture sector; % of industry covered by self-financing organizations.	35% amended to 63%.[1]	50% over 3 years. amended to 70% over 3 years.[1]	**On target** • 63% of B.C. production is represented by commodities that use levies to fund programming or have self-financing organizations.[1]

[1] Industry self reliance measure re-calculation

A number of indicators could be used as valid measures of self-reliance, including lack of requests for ad hoc government financial assistance and the number of commodities using self-funding mechanisms including levies to finance their industry development. Overall commodity sales (farm cash receipts) for those sectors with self-funding levies compared to total British Columbia farm cash receipts have been used as an indicator of self-reliance in this measure. The baseline figure of 35% has been broadened beyond organizations collecting levies under the *Farming and Fishing Industries Development Act*, to include commodity groups which collect levies to help fund their own programming through marketing organizations or national legislation. As a result, the baseline figure would be approximately 63%. Although the ministry has successfully completed several initiatives during 2002/03 to encourage and facilitate organizations to implement self-funding and self-reliance in the coming years, the 2002/03 figure remains at about 63%. There is a potential to increase this over the next three years to about 70% and potentially 75% in six years which is considered to be the likely optimum for British Columbia commodities based on overall sales. This figure could vary each year based on actual sales and market conditions.

The ministry is conducting further studies to determine other indicators that could contribute to more accurate measures of overall industry self-reliance. These will be reported in future years and adjustments noted as necessary.

Measure	Baseline	2002/03 Target	2002/03 Actual
Eliminate grants to businesses and organizations.	$1.8 million.	$0 The Okanagan Valley Tree Fruit Authority (OVTFA) replant commitment completed by 2003/04.	**Achieved** $0 — Subsidies and grants that were identified in the core review process have been eliminated as of March 31, 2003. These include: BUY B.C., B.C. Fairs & Exhibitions Assn., B.C. Wine Institute, B.C. Agriculture Council, Fisheries Renewal B.C. **Ahead of schedule** — OVTFA was terminated as of March 31, 2003. The ministry accessed contingency funds of $7.55 million in order to complete its budgeted final commitment one year early for the orchard replant program that was delivered through the OVTFA up to March 31, 2003. This allowed for the efficient transfer of the program to the private sector. This replant program will continue to provide funding to the tree fruit industry through to March 31, 2006. This also put the ministry ahead of schedule in meeting the 2004/05 budget targets.

Objective 2:

Increase access to government information and expertise.

Key Strategies:

- Discontinue government direct technical advisory services by March 2003; close specific district offices.
- Expand electronic information delivery in partnership with agriculture and seafood industry agencies, technology organizations and private information providers; then privatize delivery.

Measure	Baseline	2002/03 Target	2002/03 Actual
Enhanced access to electronic information (in addition to the information already available to all consumers). % of agriculture and seafood industry that have information accessible in electronic form and # of industry sectors with electronic information available on InfoBasket (ministry's specific electronic service).	Accessible to 30% of industry. i.e., 4 sectors.	Accessible to 40% of industry. 4 more sectors added.	**Ahead of target** — Seven new industries/sectors have been added to the InfoBasket Web Portal, bringing the total number of commodities to 13. This represents approximately 59% of industry production. • InfoBasket webstats show a 50% increase in usage from January 2002 to January 2003. • Electronic information continued to be widely available to all consumers on a wide variety of topics including production techniques, marketing, and statistics.
Closure of ministry offices.		Six district offices closed.	**Completed** • As part of the increased need to be cost-effective in both program and service delivery, six regional offices throughout the province were closed during fiscal 2002/2003. Direct technical advisory services have been reduced but a more targeted professional advisory service remains to support the agriculture community. The outcome is to have much of the information that was provided by the regional office to be delivered electronically providing industry with online access to core business services.

Measure	Baseline	2002/03 Target	2002/03 Actual
Client satisfaction and awareness. Market survey of service quality in program delivery.	Survey under development.	Establish baselines. Under development.	**Deferred** • Surveys were not undertaken in light of ongoing program restructuring to meet core business program objectives. These surveys will be developed and carried out in future years as programs are clarified.

Objective 3.

Advocate for B.C.'s interests on all issues such as labour issues and fair share of federal funding; and reduce negative impacts on the sector from excessive regulation, tax policy and cross-government policy.

Key Strategies:

- Examine all programs to reduce excessive regulation.

Measure	Baseline	2002/03 Target	2002/03 Actual
Reduced red tape, outcome-based regulations (environmental and labour), and supportive tax policy.	Prescriptive, inflexible regulations.	60% outcome-based regulations in place over 3 years.	• On target — The ministry reduced regulatory requirements by 12% (544 requirements) by March 31, 2003. • On target to achieve 60% outcome-based regulations in three years. • Complicated and uneven property and sales tax systems affecting farmers were changed to encourage production of new crops to diversify their income base, to add legitimate farm inputs as exempt from sales tax, and further encourage on-farm packing of their own products.

Objective 4:

Enhance trade access by resolving international and interprovincial barriers; resolve trade impediments affecting British Columbia agri- and seafood products.

Key Strategies:

- Support trade negotiations, advocate for B.C. interests and build strategic alliances.
- Advocate for reduced subsidies, investment rules and effective dispute settlement in domestic and international trade agreements.

Measure	Baseline	2002/03 Target	2002/03 Actual
Eliminate identified interprovincial trade barriers (e.g., imitation dairy products, federal grain transportation policy, provincial investment subsidies).	Three priority barriers.	Elimination of key barriers over three years.	**Not achieved** — Barriers remain. • Re: imitation Dairy Products barriers — consulted with Ontario under Agreement on Internal Trade (AIT). Now exhausted the AIT's agri-food consultation process. Requested the Ministry of Competition, Science and Enterprise to pursue other avenues under AIT dispute settlement procedures. • Re: grain transportation and investment subsidies — developed several strategies to promote recognition and strengthening of AIT obligations. • Trade advocacy continued.[1]

[1] See Related activities: Trade.

Related activities

First Nations participation in the economy

- The ministry continued programs to increase the capacity of First Nations to support training and skill development, achieve joint ventures with private organizations and partially fund First Nation agriculture, food and fisheries development initiatives.
- Aboriginal Agriculture Initiative: a funding agreement with First Nations Lending Association was completed and the program now being implemented.
- BC Aboriginal Fisheries Commission held a Fish Farming and the Environment meeting in September 2002 and is planning an Aquaculture Environmental Monitoring Workshop in May 2003.
- Completed a baseline survey of First Nations in Central and Northern B.C. to identify the potential agricultural development opportunities.

Agricultural labour

- The ministry worked with the Ministry of Skills Development and Labour (MSDL) to ensure the new *Employment Standards Act* (ESA) regulations for agriculture do not detrimentally impact agriculture's competitiveness.
- The ministry supported MSDL in development of a Memorandum of Understanding with industry to strengthen workplace ESA compliance. As a result, new regulations may exempt agriculture from hours of work and overtime provisions of the ESA. Industry had indicated that this was their single most important issue with the regulations.

Trade

- The ministry conveyed B.C.'s position for the World Trade Organization anti-dumping and countervailing negotiations to the federal government in a major provincial policy paper, developed by the Ministry, and Ministries of Competition, Science and Enterprise and Forestry in consultation with British Columbia industry. Anti-dumping and countervailing duty actions against B.C. agriculture exports have become a significant challenge for the provincial agriculture sector.
- The ministry joined with other provinces and US state governments to promote greater compatibility between Canada-US pesticide regulations.
- The ministry assisted in developing exports of specific products such as dairy genetics which represent a farm revenue diversification opportunity for B.C. dairy producers and genetics' industries. An estimated $15 million in sales of Holstein cattle, embryos and semen were realized. The US cattle demand softened in early 2003 due to depressed milk prices, which will reduce breeding cattle sales for the balance of year.

Core Business area 6 — Corporate Services

Goal: Effective policy, legislation and trade programs, and measurable objectives of performance.

Outcome: Modern, service-oriented policies and legislation, significantly reduced government regulation, a fair share of federal expenditures, enhanced trade access, and an efficient, accountable administrative operation.

Objective 1:

Provide the ministry with administrative and financial services that help the ministry operate efficiently and effectively while ensuring compliance with government policies and procedures.

Key Strategies:

- Co-ordinate the preparation of annual expenditure, revenue and capital budgets, and carry out subsequent budgetary control functions.
- Participate in implementing administrative efficiency processes (e.g., online procurement) identified by the Best Practices Initiative.

Measures	Baseline	2002/03	2002/03 Actual
95% of suppliers and contractors are paid within 30 days of goods received or invoice date.	95% in 30 days.	95% in 30 days.	• Targets met.
Actual expenditures do not exceed budgets.	Targets met.	Targets met.	• Targets met (see below).

Related activities

Budget

- Budget targets were successfully met and slightly under-expended for 2002/03.
- However some additional contingency funding was required to meet the ministry's commitment one year early for the orchard replant program delivered through the Okanagan Valley Tree Fruit Authority (OVTFA); the OVTFA was terminated as of March 31, 2003 although the replant program was transferred to an industry-led organization (Investment Agriculture Foundation) and will continue to be delivered to growers through to 2006. Access of contingencies enables the ministry to be ahead of target in meeting expenditure reduction targets for fiscal 2004/05.

Shared-service models

- Service agreements are under negotiation with appropriate agencies for human resources, finance/admin and information technology. These had yet to be finalized as of March 31, 2003.

Objective 2:

Maintain and enhance a modern human resource policy that recognizes a changing workplace and which effectively implements change management strategies.

Key Strategies:

- Develop a comprehensive human resource management plan related to succession planning, recruitment, performance measurement and training.

Measures	Baseline	2002/03	2002/03 Actual
Human resource plan implementation.	Human resource plan under development.	Human resource plan being implemented.	**On target** • A comprehensive human resource management plan was in development; it encourages/develops leadership while providing for succession planning, recruitment, performance measurement and training. • It will be implemented over the next five years.

Objective 3:

Maintain a future-oriented and effective policy, legislative and planning framework to support the ministry's operations in achieving its goals.

Key Strategies:

- Re-orient and streamline legislation/regulations in line with the new mandate and the deregulation initiative, in conjunction with other ministries.
- Influence the policies and regulations of other governments to support agri-food and fisheries development.

Measures	Baseline	2002/03	2002/03 Actual
A streamlined regulatory framework is in place.	Current legislation. 4,538 regulatory "requirements."	Reduce to maximum of 3,025 "requirements" over three years.	**On target** • The ministry reduced regulatory requirements by 12% (544 requirements) as of March 31, 2003. (see Deregulation section following)

Objective 4:

Increase the provincial share of federal expenditures, particularly in farm safety nets, research and export promotion.

Key Strategies:

- Represent the Province of British Columbia on federal/ provincial committees (trade, safety net agreement, etc.)

Measure	Baseline	2002/03	2002/03 Actual
Federal cost-sharing formula is maintained or increased.	60:40	minimum 60: 40 maintained over 3 years.	**Target maintained**; future is dependent on successful implementation of the Agricultural Policy Framework (APF) agreement being negotiated with the federal government.

Deregulation

Reducing red-tape and removing barriers

- The ministry's starting base count of regulatory requirements at June 2001 was 4,538. That number will be reduced by one third to 3,026 requirements by June 2004 (1,512 requirements).
- Deregulation plans are underway in five subject areas:
  - Food safety and quality;
  - Regulated marketing;
  - Commercial fisheries and aquaculture;
  - Livestock; and
  - Cross-government and miscellaneous.
- The ministry reduced regulatory requirements by 12% (544 requirements) as of March 31, 2003.
- Legislation repealing nine obsolete or redundant statues was in final stages of development at fiscal year-end. The legislation has been enacted, and consequential changes to regulations will take place throughout 2003/04.

2002/03 Resource Summary

2002/03 Resource Summary by Core Business Areas (as shown in 2002/03 Service Plan resources section)

	Estimated	Other Authorizations[2]	Total	Actual	Variance
Operating Expenses ($000)					
Ministry Operations					
Corporate Services	8,275		8,275	8,909	(634)
Food Safety and Competitiveness[3]	14,061		14,061	10,306	3,755
Risk Management[5]	20,095	7,555	27,650	30,586	(2,936)
Resource Development and Sustainability[4]	11,997		11,997	12,182	(185)
Okanagan Valley Tree Fruit Authority[3]	8,650		8,650	8,650	—
Boards, Commissions and Special Accounts					
British Columbia Marketing Board/Farm Practices Board (Risk Management)[5]	980		980	980	—
Special Account — Livestock Protection (Risk Management)[5]	20		20	6	14
Statutory — *Cattle (Horned) Act*[3]		11	11	11	—
Total Expense	**64,078**	**7,566**	**71,644**	**71,630**	**14**
Breakdown of Other Authorizations — Contingencies (All Ministries) and New Programs	7,555				
Statutory Appropriation	11				
TOTAL	**7,566**				
Full-time Equivalents (FTEs)					
Corporate Services	72		72	66	6
Food Safety and Competitiveness[3]	112		112	82	30
Risk Management[5]	37.5		37.5	37	0.5
Resource Development and Sustainability[4]	131.5		131.5	121	10.5
British Columbia Marketing Board[5]	7		7	6	1
Total FTEs	**360**		**360**	**312**	**48**
Ministry Capital Expenditures (CRF) ($000)					
Ministry Capital Expenditures (CRF)	1,432		1,432	842	590
Consolidated Capital Plan Expenditures (CCP) ($000)					
	n/a	n/a	n/a	n/a	n/a
Other Financing Transactions ($000)					
Industry Competitiveness *Agriculture Credit Act* (Agricultural Land Development Program) — Receipts					
Net Cash Source	1,096		1,096	1,500	(404)

[1] The "Estimated" amount corresponds to the Estimates as presented to the Legislative Assembly on February 19, 2002.

[2] "Other Authorizations" include Supplementary Estimates, Statutory Appropriations and Contingencies.

[3,4,5] *See*: Estimated breakdown by core business area. (see next page)

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[3 4 5] *See:* Estimated breakdown by core business area. (see next page)

Estimated breakdown by core business area:

Core business area	Total Appropriation $ 000	Actual $ 000	Estimate FTE	Actual FTE
[3]**Food Safety and Quality**	$6,458	$4,733	65	48
[4]**Environmental Sustainability and Resource Development**	$6,384	$6,483	87	81
[4]**Fisheries and Aquaculture Management**	$5,613	$5,699	44	40
[5]**Risk Management**	$28,650	$31,572	45	43
[3]**Industry Competitiveness**	$16,264	$14,234	47	34
Corporate Services	$8,275	$8,909	72	66

2002/03 Resource Summary Mirroring the *Estimates* Vote Structure

	Estimated	Other Authorizations	Total	Actual	Variance
Operating Expenses ($000)					
Ministry Operations (Vote 11)					
Minister's Office[5]	451		451	390	61
Corporate Services (net of recoveries)[5]	7,824		7,824	8,519	(695)
Risk Management and Competitiveness[3] **(Net of Recoveries)**	34,156	7,555	41,711	40,892	819
Resource Development and Sustainability[4]	11,997		11,997	12,182	(185)
British Columbia Marketing Board[3] **(Vote 12)**	980		980	980	—
Okanagan Valley Tree Fruit Authority[3] **(Vote 13)**	8,650		8,650	8,650	—
Statutory — *Cattle (Horned) Act*[3]		11	11	11	—
Special Account — Livestock Protection[3]	20		20	6	14
Total Expense	**64,078**	**7,566**	**71,644**	**71,630**	**14**
Breakdown of Other Authorizations — Contingencies (All Ministries) and New Programs	7,555				
Statutory Appropriation	11				
TOTAL	**7,566**				
Ministry Operations (Vote 11)					
Minister's Office	5		5	5	—
Corporate Services	67		67	62	5
Risk Management and Competitiveness[3]	149		149	118	31
Resource Development and Sustainability[4]	132		132	121	11
British Columbia Marketing Board[3] **(Vote 12)**	7		7	6	1
Total FTEs	**360**		**360**	**312**	**48**
Ministry Capital Expenditures (CRF) ($000)					
Ministry Capital Expenditures (CRF)	**1,432**		**1,432**	**842**	**590**
Consolidated Capital Plan Expenditures (CCP) ($000)					
	n/a	n/a	n/a	n/a	n/a
Other Financing Transactions ($000)					
Risk Management and Competitiveness *Agriculture Credit Act* (Agricultural Land Development Program)					
Receipts	1,096		1,096	1,500	(404)
Crop Insurance Stabilization					
Receipts	3,000		3,000	—	3,000
Disbursements	3,000		3,000	—	3,000
Total Net Cash Source	**1,096**		**1,096**	**1,500**	**(404)**

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[3,4,5] *See*: Estimated breakdown by core business area.

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[3, 4, 5] *See*: Estimated breakdown by core business area.

Revenue and Recoveries by Core Business Area Fiscal 2002/2003	
Food Safety and Quality	**$**
Health Management and Regulatory fees and licences	41,676
Horned Cattle fees	13,656
Veterinary Laboratory fees and licences	208,908
Plant Laboratory fees	8,683
	272,923
Environmental Sustainability and Resource Development	
ALDA *(Agricultural Land Development Act)* — Interest on loans	226,498
ALDA — Recovery of concessionary loans	824,824
	1,051,322
Fisheries and Aquaculture Management	
Fisheries Renewal B.C. dividend — receipts from operations closure	211,000
Commercial Fishing licences	290,036
Aquaculture licences	40,415
Recovery of prior year expenditures	217,359
	758,810
Risk Management	
Recovery — Prior year expenditures	121,431
British Columbia Marketing/Farm Practices — Board appeal fees	3,400
Livestock Protection Act — dog licences	7,866
Crop Insurance — Administration cost recovery[2]	1,333,181
Canada B.C. Wildlife Damage Compensation Program[1]	1,036,407
Sterile insect release funding[1]	1,100,000
	3,602,285
Corporate Services	
Interest on overdue accounts	692
Recovery of prior year expenditures	147,846
Miscellaneous receipts	3,493
Various section 25 recoveries[1]	79,998
	232,029
Total Ministry Revenue and Cost Recovery	**$5,917,369**

Notes:

[1] Section 25 under the *Financial Administration Act* authorizes payments from contributions received for specific purposes agreed to by the ministry and the external contributor.

[2] The Crop Insurance administration recovery from the federal government is 50% of the provincial costs to deliver this federal/provincial program

Estimated breakdown by core business area:

Core business area	Total Appropriation $ 000	Actual $ 000	Estimate FTE	Actual FTE
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Crop Insurance — Administration cost recovery[2]	1,333,181
Canada B.C. Wildlife Damage Compensation Program[1]	1,036,407
Sterile insect release funding[1]	1,100,000
	3,602,285
Corporate Services	
Interest on overdue accounts	692
Recovery of prior year expenditures	147,846
Miscellaneous receipts	3,493
Various section 25 recoveries[1]	79,998
	232,029
Total Ministry Revenue and Cost Recovery	**$5,917,369**

Notes:

[1] Section 25 under the *Financial Administration Act* authorizes payments from contributions received for specific purposes agreed to by the ministry and the external contributor.

[2] The Crop Insurance administration recovery from the federal government is 50% of the provincial costs to deliver this federal/provincial program

Summary Reports on Other Planning Processes

Information Resources Management Plan

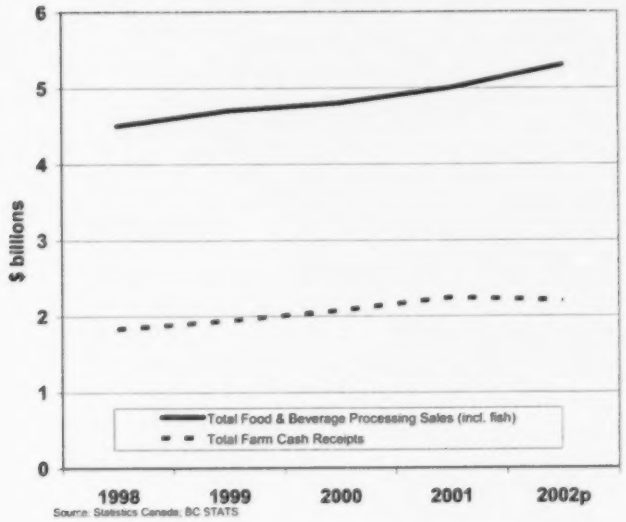
A large number of information technology programs continued during 2002/03 to maintain ministry operations. However, the following items were specifically identified in the ministry's 2002/03 service plan because of the nature of the project. Progress during the year is noted.

Item	2002/03 Actual
Expansion of InfoBasket — background provided in previous section (Industry Competitiveness).	**Achieved** • Progress detailed in previous section (Industry Competitiveness).
Crop Insurance — replace an aging policy based management information system for the Crop Insurance Program with a new system that permits better management of the sales and marketing as well as claims processing and tracking process.	**Delayed** • The ministry delayed proceeding with development pending further program review. • Once a new computerized system is in place, it will improve operational efficiency, reduce business risk from system failure or system errors, provide better management information, prepare us for changes to our program arising from the Agricultural Policy Framework (APF) and position crop insurance to be able to offer electronic services if desirable. Ultimately, the new system will form the baseline on which to provide crop insurance services to farmers more efficiently while reducing risk to taxpayers.
Replacement of aging Fisheries Licensing system — (Commercial Fisheries Licensing System and the Aquaculture Licensing System). The ministry will examine incorporating them into MALS (Ministry of Agriculture Licensing System), and move if feasible.	**In progress** • Preliminary scoping work has begun. During 2003, year the ministry will document business requirements for the fisheries systems to determine the development options available.
Maximizer Shared Database for Processors — partner with the federal government to share a client contact management database for agriculture and seafood processors.	**Achieved** • The federal and provincial governments now share a client contact database reducing requests for the same information from food and fish processors.

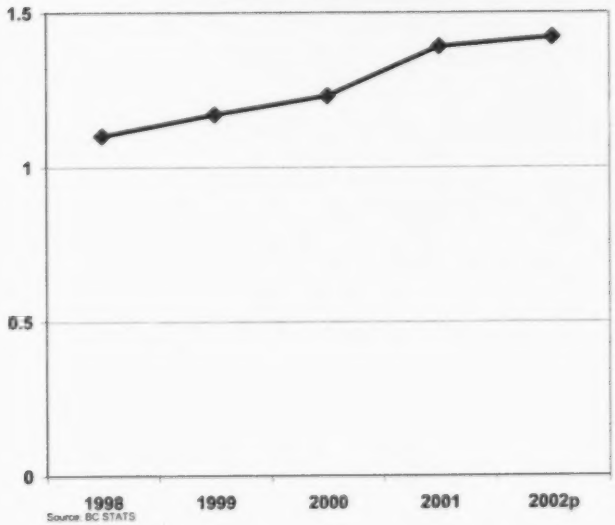
Appendix

Statistical charts

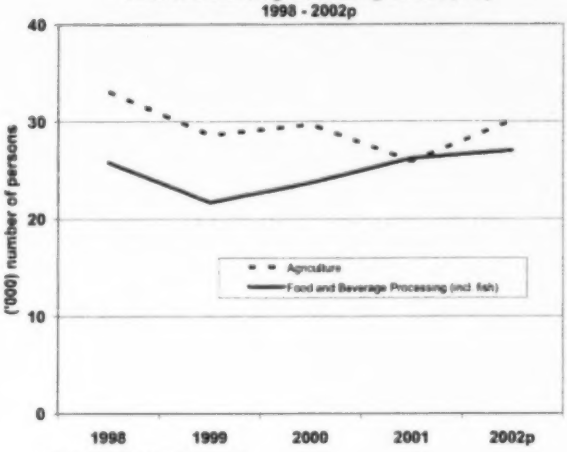
Total Farm Cash Receipts and Total Food & Beverage Processing Sales
1998 - 2002p
($ billions)



B.C. Origin Out-of-Country Agriculture & Food (excl. fish)
Exports to All Areas ($ billions)

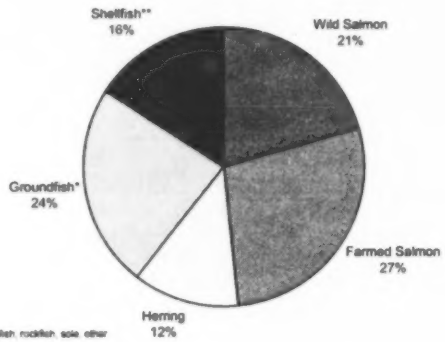


Employment in Agriculture and Food & Beverage Processing Sectors ('000) 1998 - 2002p



Source: Statistics Canada, Labour Force Survey

2001 Seafood Shares
(Total Wholesale Value $1,011 million)

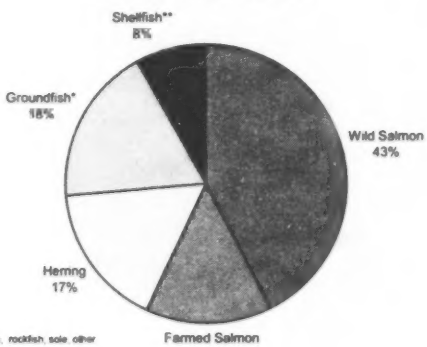


* Includes halibut, hake, sablefish, rockfish, sole, other groundfish, tuna and other fish

** Includes clams, oysters, crabs, sea urchins, prawns, shrimp and other shellfish

Source: Ministry of Agriculture, Food and Fisheries

1991 Seafood Shares
(Total Wholesale Value $877 million)



* Includes halibut, hake, sablefish, rockfish, sole, other groundfish, tuna and other fish

** Includes clams, oysters, crabs, sea urchins, prawns, shrimp and other shellfish

Source: Ministry of Agriculture, Food and Fisheries